

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:775

ANSWERED ON:28.04.2016

Start Up Village Operation

Sawaikar Shri Advocate Narendra Keshav

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) the present status of the Start Up village operation;
- (b) the details of the States that have launched the said operation and the extent of help rendered by the Government in this regard;
- (c) whether the Government intends to combine Start up India programme with Start up village operation and if so, the details thereof; and
- (d) the details of benefits that are likely to accrue to various States including Goa as a result of the said programme?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI SUDARSHAN BHAGAT)

(a) : Though the Ministry of Rural Development does not implement any scheme titled "Start Up Village Operation", the Start-up Village Entrepreneurship Programme (SVEP) is implemented as a sub-scheme under National Rural Livelihood Mission (NRLM) of this Ministry, to promote start-up enterprises in rural areas. Sanction for the roll out of the SVEP has been accorded to 16 states who have expressed their willingness, covering 46 blocks. Initially a baseline and market potential study of the blocks is carried out through the approved Programme Implementing Agency in respect of the State concerned for providing support on the start-ups, handholding and accessing finance to the entrepreneurs. Thereafter a Detailed Project Report thereon detailing the number of enterprises that can be viably supported in the block is submitted by the State to the Ministry for approval. The target of the scheme is to train and support 1.82 lakh entrepreneurs over a period of four years.

(b) : The details of the States that have launched the said programme and the extent of help rendered by the Government so far is given in Annexure-I.

(c) & (d) : By definition, a Start -up means an entity, incorporated or registered in India not prior to five years, with annual turnover not exceeding Rs. 25 crore in any preceding financial year, working towards innovation, development, deployment or commercialization of new products, processes or services driven by technology or intellectual property, provided that such entity is not formed by splitting up, or reconstruction, of a business already in existence. Thus a Start-up has to be a Private Limited Company (under The Companies Act, 2013) or a Registered Partnership Firm (under The Indian Partnership Act, 1932) or Limited Liability Partnership (under The Limited Liability Partnership Act, 2008), whereas SVEP focuses on much smaller enterprises based on the market potential in their vicinity and which would not need a capital of more than Rs.10 lakh. The SVEP targets at setting up enterprises in villages in saturation mode. The SVEP also creates local community cadre (CRP-EP) at village level which provides hand-holding support to the entrepreneurs. So far Goa has not opted for the roll out of SVEP in the State.

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